



WSDA
Agricultural Local Fund
July 2013

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Washington State Department of Agriculture

Agricultural Local Account

July 2013

The Agricultural Local Account is a budgeted (non-appropriated/allotted), special revenue fund administered by WSDA. Any money deposited in the account, the use of which has been restricted by law, may only be spent in accordance with those restrictions (RCW 43.23.230). The account contains the fees paid to run the day-to-day operations of many WSDA programs. It includes the accounts for all of the agency's fee-supported programs except Grain Inspection and Fruit and Vegetable Inspection, which operate out of separate local funds. In 2011-13, expenditures from the Agricultural Local Fund totaled \$39 million.

- 26 programs or activities are funded in whole or in part from fees managed within this account.
- Each subfund is managed separately with a multi-year approach. Fee increases are designed to initially generate excess revenues to cover expected increased expenditures over a period of time.
- Legislative approval is required to establish or increase fees (I-960 requirement). Some fees are in statute; most are set in rule.
- Subfund revenues can vary significantly based on crop and market conditions; expenditures are less variable due to fixed costs and the need to maintain service availability.
- The balance in the account, and most subfunds, varies throughout the year depending on when different licenses and registrations are renewed or when seasonal work occurs (*see charts*).

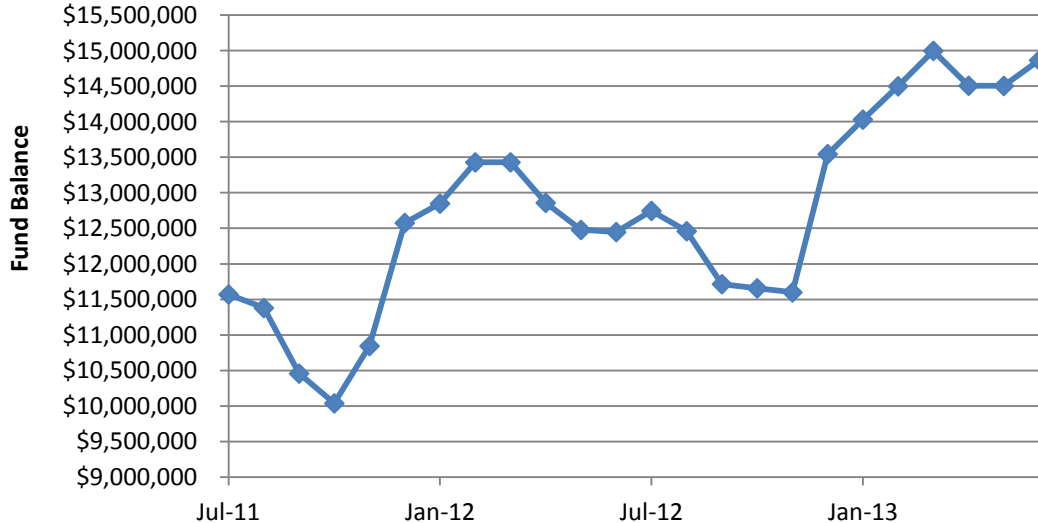
Subfund / Description of Activity Supported by Subfund	2011-13 Expenditures	6/30/13 Balance	% Funded by Ag Local Fund (2013-15)	Fee description and RCW use restrictions
Operating Accounts				
Apple Pest Inspection Conducts apple maggot detection and certification program (carried out under WSDA Pest Program).	\$1,110,824	\$824,621	100%	Assessment on fresh apples paid by apple industry. RCW 15.17.247
Christmas Tree Growers Inspects and certifies Christmas trees to ensure healthy, pest-free and disease-free plant materials.	\$594	\$44,424	100%	License fees RCW 15.13.470
Commission Merchants Protects producers against theft, fraud and unfair practices. Licenses persons involved in buying and selling agricultural products. Requires those who purchase by check or on credit or who handle agricultural products on consignment to be bonded.	\$580,622	\$130,416	100%	License fees RCW 20.01.130
Feed Regulation Ensures product identity, quality and proper labeling. Registers pet foods and licenses manufacturers and initial distributors of other animal feeds. Inspects feed mills for compliance with good manufacturing practices. Analyzes feed samples to determine accuracy of label guarantees.	\$1,519,987	\$1,673,659	100%	Licensing, registration and tonnage fees paid by feed industry RCW 15.53.9044

Subfund / Description of Activity Supported by Subfund	2011-13 Expenditures	6/30/13 Balance	% Funded by Ag Local Fund (2013-15)	Fee description and RCW use restrictions
Fertilizer Regulation Registers fertilizer products for distribution in the state. Collects and analyzes fertilizer samples to determine accuracy of label guarantees and compliance with state heavy metals standards. Inspects fertilizer facilities and irrigation systems used to apply fertilizer.	\$1,263,269	\$1,006,133	100%	Licensing, registration and tonnage fees paid by the fertilizer industry. RCW 15.54.480
Warehouse Audit Protects producers from undue losses by requiring licensing and bonding of grain storage warehouses and grain dealers. Conducts audits to assure licensees cover storage and contractual obligations.	\$506,649	\$444,174	100%	License fees RCW 22.09.830
Hop Inspection Performs physical grading and chemical analysis of hops.	\$913,398	\$528,715	100%	Fee-for-service paid by hop industry RCW 22.09.830
Livestock Identification Maintains official recordings of livestock brands. Requires inspection of cattle and horses for proof of ownership prior to moving out of state and at mandatory inspection points. Licenses and bonds public livestock markets.	\$3,039,640	\$334,096	100%	Fees paid by the livestock industry RCW 16.58.140
Nursery Inspection Inspects nurseries to ensure healthy, pest-free and disease-free plant materials. Enforces agricultural quarantines to prevent pest introduction. Inspects and certifies plant materials as free from disease and insects as required by markets.	\$2,815,106	\$215,578	100%	License fees paid by nursery dealers, fees paid for requested inspections RCW 15.13.470
Organic Food Certification Ensures food products making organic claims meet organic standards. Inspects and certifies organic producers, processors, and handlers.	\$4,424,435	\$900,219	100%	Fees paid by the organic industry RCW 15.86.070
Planting Stock Certification (<i>three subfunds</i>) Provides testing and inspection services to assure disease-free planting stock for various agricultural industries. Voluntary certification programs are provided for fruit trees, seed potatoes, hops, grapes, mint, garlic, caneberries, and strawberries.	<i>Planting Stock</i> \$147,330 <i>Fruit Tree</i> <i>Assessment</i> \$813,223 <i>Grapevine</i> <i>Assessment</i> \$359,796	<i>Planting Stock</i> \$95,331 <i>Fruit Tree</i> <i>Assessment</i> \$1,162,616 <i>Grapevine</i> <i>Assessment</i> \$241,763	100%	Application and inspection fees, assessment on wholesale price of fruit trees and grapevines RCW 15.13.470
Seed Inspection/Certification Conducts field inspections and laboratory testing of agricultural, vegetable and flower seeds grown under the seed certification program. Tests seed samples for purity and germination and to certify seed for markets.	\$4,062,372	\$180,470	100%	Fee-for-service RCW 15.49.470

Subfund / Description of Activity Supported by Subfund	2011-13 Expenditures	6/30/13 Balance	% Funded by Ag Local Fund (2013-15)	Fee description and RCW use restrictions
Pesticide Regulation Regulates sale and use of pesticides. Investigates complaints of pesticide misuse, inspects pesticide manufacturers and applicators, registers pesticide products for use in the state. Licenses and administers continuing education program for pesticide applicators, dealers and consultants. Trains Spanish-speaking farm workers in pesticide use. Collects and disposes of waste agricultural pesticides. Works to mitigate the impact of pesticides on ESA salmon.	\$7,172,842	\$1,901,683	56% 10% GF- Federal 34% State Toxics Control Acct	Licensing and registration fees RCW 17.21.280
Food Safety Regulates the dairy, egg, food processing, and food storage industries. Licenses and inspects facilities. Investigates consumer complaints. Responds to food-related emergencies. <i>Four subfunds provide funding to the food safety program.</i>			32% 56% GF-State 12% GF- Federal	<i>See below</i>
Dairy Inspection - Supports dairy inspection activities.	\$565,562	\$123,083	<i>Included above</i>	Assessment on processed milk RCW 15.36.551
Egg Inspection - Supports egg inspection activities.	\$671,926	\$170,363	<i>Included above</i>	Fees paid by the egg industry RCW 69.25.280
Food Inspection - Supports the food processing and food storage warehouse inspection activities.	\$1,550,373	\$624,818	<i>Included above</i>	License fees RCW 69.07.120
Federal Vendor Service Inspections - Per inspection fees for contractual work performed for FDA.	\$1,021,991	\$706,914	<i>Included above</i>	
Weights and Measures Inspection Regulates use and accuracy of commercial weighing and measuring devices. Provides calibration services to businesses and government. Licenses weigh masters and service agents, analyzes motor fuel samples for quality, investigates complaints.	\$2,386,102	\$1,001,288	69% 31% Motor Vehicle Acct	Device registration, licensing and calibration fees RCW 19.94.185
Other Accounts – Administrative, Transfer and Pass-Through				
Nursery Research – Pass through to WSU and UW for approved research projects.	\$241,515	\$327,508	100%	Surcharge on nursery license fee RCW 15.13.285
Apiary – Funds apiary-related activities of the department and research projects.	\$32,386	\$69,678	100%	Hive registration fee RCW 15.60.040
Apple Maggot Control – Provides money to county pest boards. Balance reverts to Fruit & Vegetable Inspection Account on 6/30/13.	\$28,537	\$40,522	100%	One-time transfer from Fruit & Vegetable Insp. Acct RCW 15.17.247
Plant Disease Inspection (Abandoned Orchards) – Provides matching money to county pest boards.	\$10,844	\$197,358	50%	One-time transfer from State Toxics Cntrl. Acct (2001-2003 Biennium)
Animal Disease Traceability - to recover the reasonable costs of purchasing, printing, and distributing official individual identification devices or methods, regulatory forms, and other supplies. Cost-Recovery Account	\$48,688	\$9,035	100%	RCW 16.36.025 and 16.57.160

Subfund / Description of Activity Supported by Subfund	2011-13 Expenditures	6/30/13 Balance	% Funded by Ag Local Fund (2013-15)	Fee description and RCW use restrictions
Animal Health Requested Services - Cost-Recovery Account for costs associated with the diagnostic service program.	\$22,304	\$35,603	100%	RCW 16.38.060
Publications Recovery – Cost recovery for publishing Ag Suppliers Directory.	\$0	\$3,075	NA	NA
Agency Management/Administrative Services Executive leadership, financial services, information technology services, human resources services, communications, administrative procedures guidance, legal services, employee safety and risk management for all agency programs.	\$7,039,827 <i>(Includes \$3,356,801 accounted for above)</i>	\$1,578,565 <i>Agency Ops</i> \$292,810 <i>Specialty Crop Indirect</i>	27% <i>24% F&V Insp. 16% Grain Insp. 17% GF-State 12% GF-Federal 4% Other</i>	Funds transferred from Ag Local Fund accounts, Fruit & Vegetable Inspection Acct. and Grain Inspection Acct.
Total	\$42,350,142	\$14,864,518		

Agricultural Local Fund Fund Balance, July 2011 to June 2013



July 2011-June 2013

